

FY 2016 Budget Presentation

Board of Selectmen
January 20, 2015

Town's Fiscal Position - State of the Town

- Property values remain high
- Tax rate remains low
- AAA Bond Rating (affirmed Nov. 2013/next review in June 2015)
- Reserves improved over FY2014
- Major Capital projects completed
- OPEB funding strategy

Budget Summit -Year 3

- Budget Summit – October 2014
 - Collaboration
 - Directive
 - Process/Calendar
 - Revenue/Expense Trends
 - Long-range Forecast
 - Fiscal Policies

Multi-year Financial Plan; Long Range Forecast

- BOS and Fiscal Policies
- Revenues
- Expenses
- Debt Service
- Challenges/Opportunities
- Sustainability

Town's Budgetary Components

- I. Revenue Outlook
- II. Expenditures
 - i. General Operating Budget
 - ii. Water Operating Budget
 - iii. Five Year Capital Plan
 - iv. Educational Assessments
(MRSD/CCRTHS)
 - v. Capital Facilities Plan
 - vi. Other (OPEB)

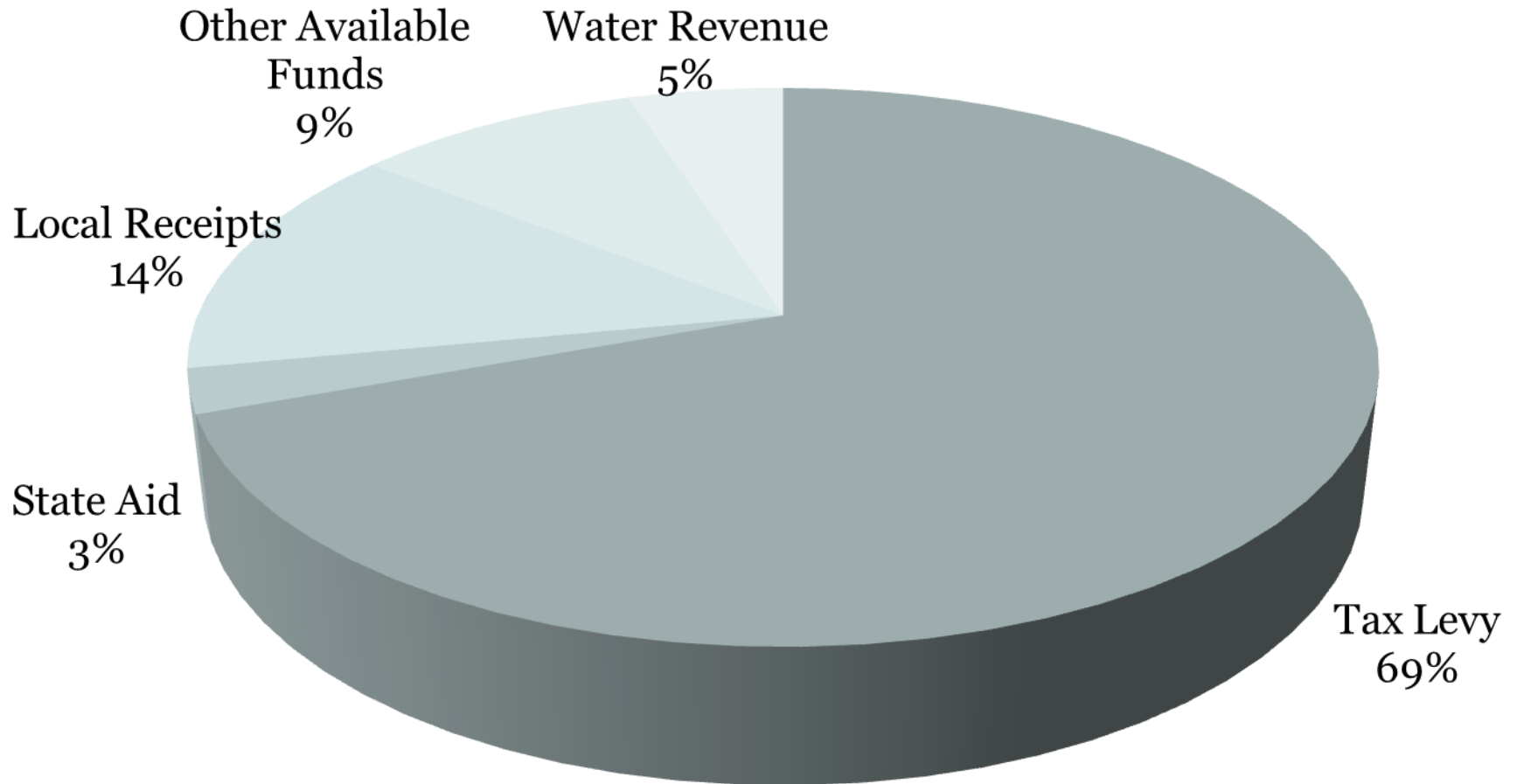
FY2016 Directive

- BOS Goals & Objectives (Nov.-Jan. 2015)
- Level Service Budget
 - Staffing levels equal to FY2015
 - Supplemental Expense Requests are highlighted in the Detail budgets

Revenues

- Allowable Growth *estimated* \$842,975
- Local Receipts *increase (3%+)* \$190,673
 - Hotel/Motel: +\$35,000
 - Meals Tax: +70,000
 - Boat Excise: -\$30,000 (petition article)
 - Licenses: +\$30,000
 - Other: +\$90,000
- State Aid Level to FY15

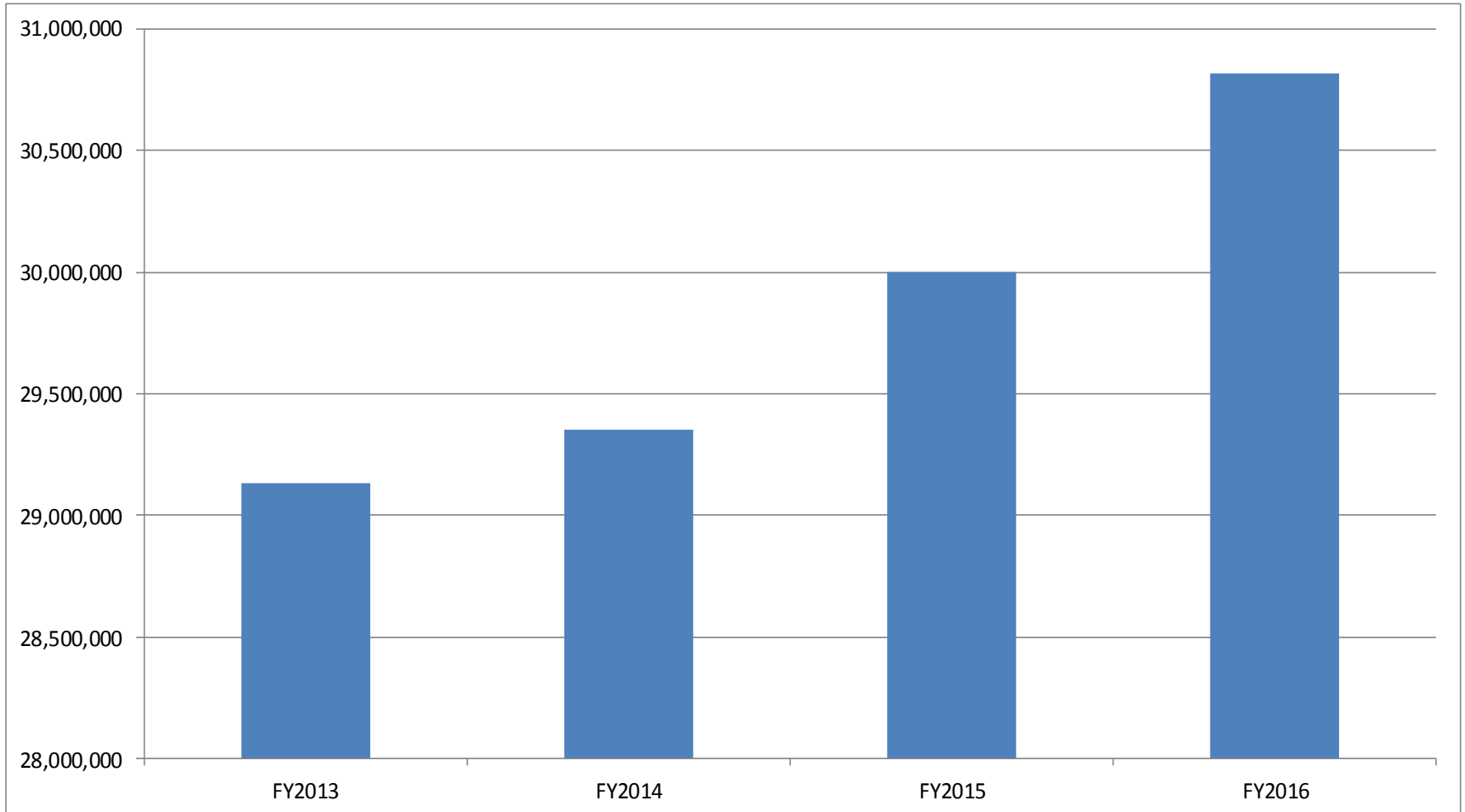
FY2016 Revenue



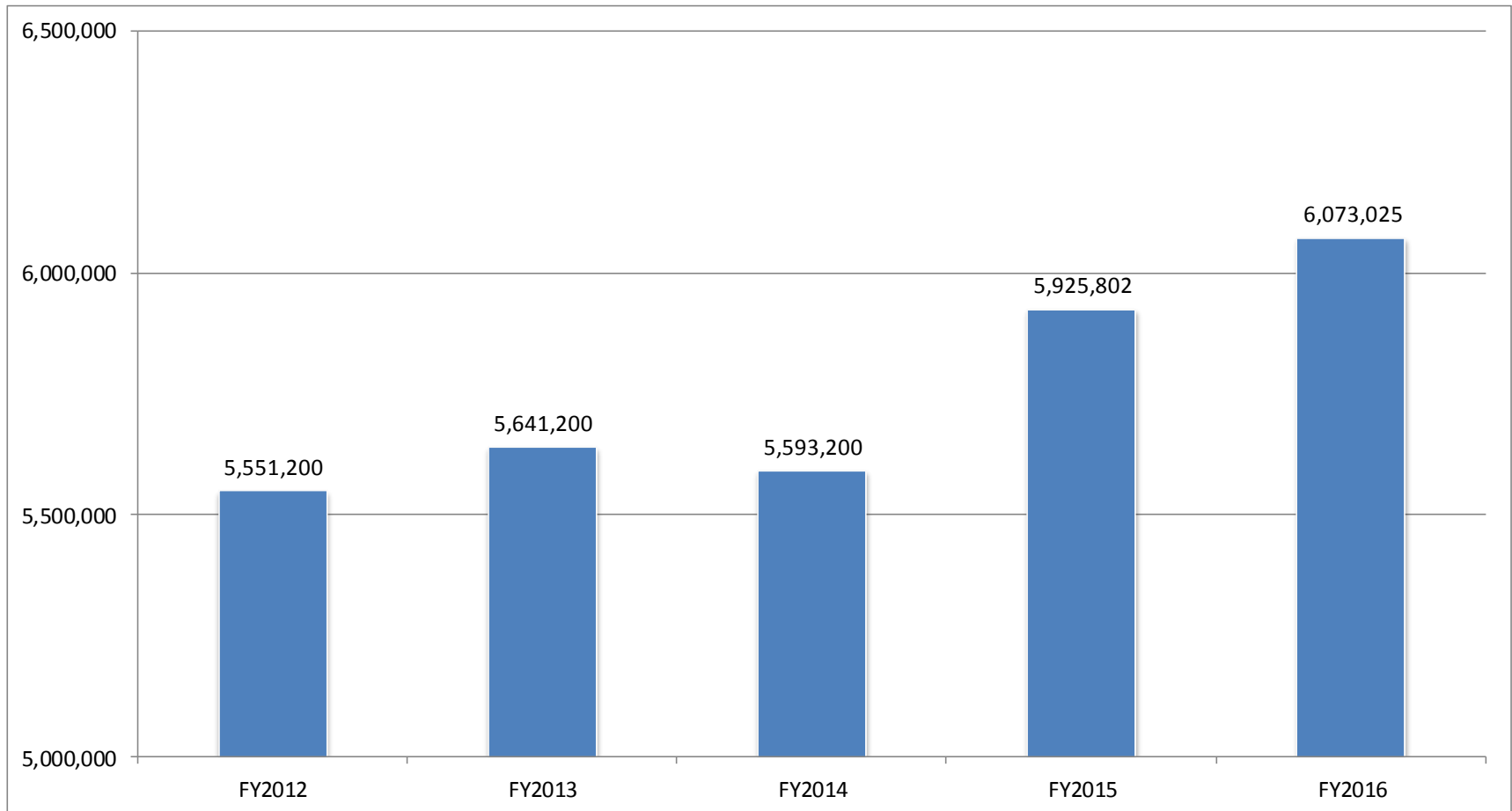
Tax Levy (not Tax Rate)

- Property Tax FY2016 –Allowable Growth
- \$30,817,017 vs \$29,687,491 (all inclusive)
 - 3.67% increase (*projected*)
- Local Receipts
 - Increase over FY2015
- Other Available Funds
 - Increase over FY2015; Free Cash \$1,500,000
- State Aid
 - Flat to FY2015

Tax Levy



Estimated Local Receipts



What makes up the estimated tax rate increase?

- FY2015 Tax Rate \$4.99
- Monomoy School Debt 10¢
- Budget Increase 1.1% 5¢
- Capital Budget 2¢
- Other Articles 2¢
- *Estimated Rate* \$5.18

FY2016 Operating Budgets

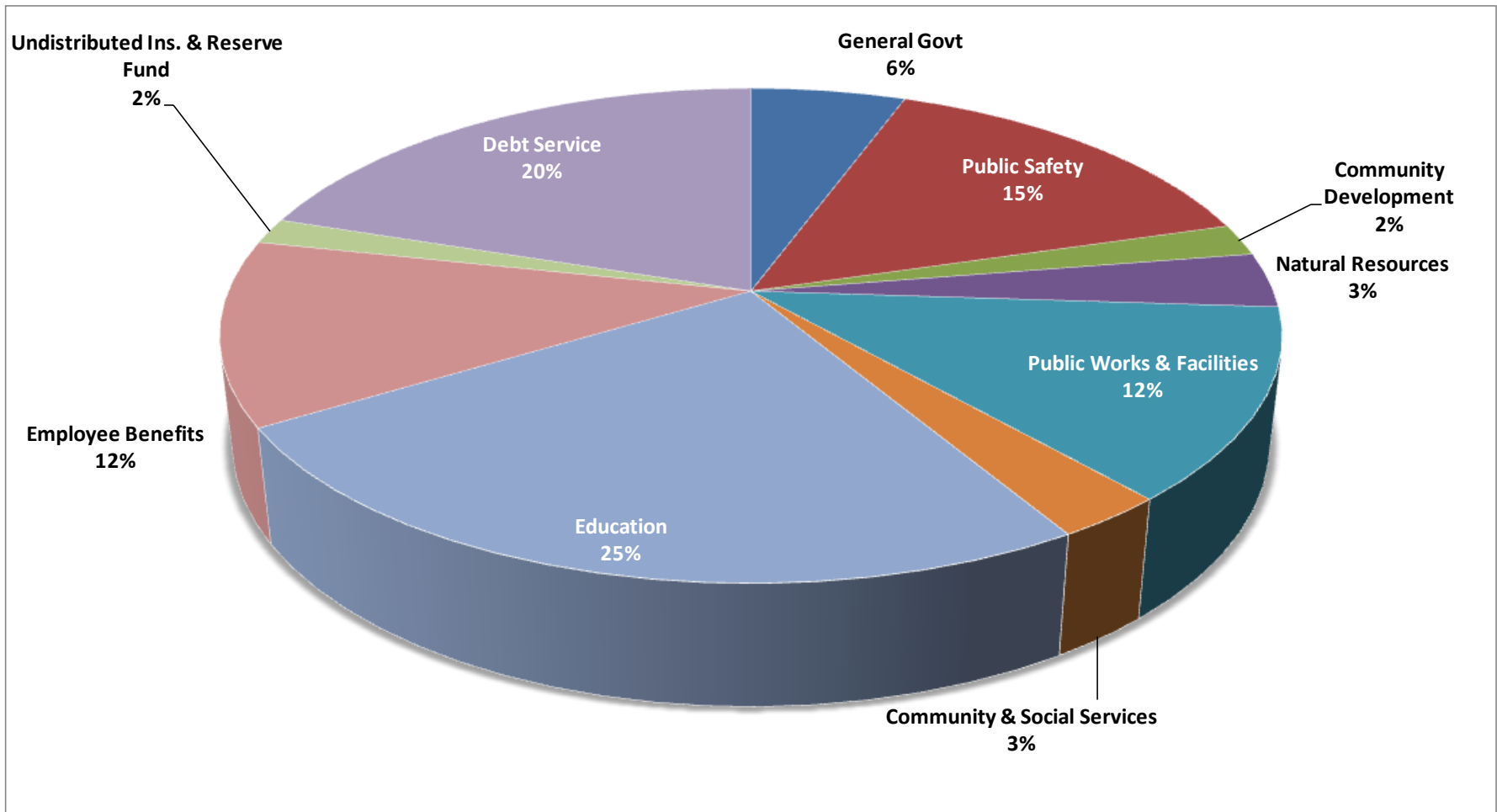
				TM Recommend	
	FY2014	Voted FY2015	FY2016	% Change	
I. General Government	\$ 1,885,409	\$ 1,926,680	\$ 2,049,535	6.38%	
II. Public Safety	\$ 5,312,316	\$ 5,293,135	\$ 5,414,402	2.24%	
III. Community Development	\$ 596,109	\$ 744,832	\$ 755,676	1.43%	
IV. Natural Resources	\$ 1,223,428	\$ 1,302,415	\$ 1,310,631	0.63%	
V. Public Works	\$ 4,518,773	\$ 4,532,506	\$ 4,576,678	0.97%	
VI. Community/Soc. Services	<u>\$ 938,373</u>	<u>\$ 999,260</u>	<u>\$ 1,054,931</u>	<u>5.28%</u>	
Sub-total:	\$ 14,474,408	\$ 14,798,828	\$ 15,161,852	2.45%	

Continued on next slide

FY2016 Operating Budgets

	FY2014	Voted FY2015	TM Recommend FY2016	% Change
I – VI sub-total	\$ 14,474,408	\$ 14,798,828	\$ 15,161,852	2.02%
<i>(From prior slide)</i>				
VII. Debt Service	\$ 7,438,281	\$ 7,658,244	\$ 7,300,406	-4.9%
VIII. Employee Benefits	\$ 4,094,923	\$ 4,142,970	\$ 4,423,164	6.33%
IX. Undistributed/Reserve	<u>\$ 382,886</u>	<u>\$ 537,085</u>	<u>\$ 609,375</u>	<u>11.8%</u>
Total, I-IX	\$ 26,390,498	\$ 27,137,127	\$ 27,494,797	1.32%

FY2016 Expenses



Operating Budget (Article 6)

- FY2016 proposed - \$27,494,797
- Increase of \$357,670
- 1.32% over FY2015
- *Note: Does not include Educational Assessments (Article 7)*

FY2016 Differences to Prior Years

- **Public Safety**
 - Overtime – level funded to FY2014
 - Additional Firefighter (Jan 1, 2016) offset by Department vacancy/retirement
 - Contracted Services (+)
- **Public Works**
 - Solid Waste Contract – full year vs. ½ year in FY2015
- **Employee Benefits**
 - Health Insurance – projected 12% increase
 - Liability Insurances – based on prior actuals

Differences

- Staffing
 - Channel 18 Media Assistant
 - Firefighter (Jan 1, 2016)
 - Shared Position –Natural Resources

- Contractual Agreements
 - Salary Increases account for \$273,715

Differences from prior year

FUNCTION	AMOUNT	IMPACT
General Government	\$37,605	Channel 18 increase for Media Assistant; technology cost increase \$10,000. Partial offset by PEG funds.
Public Safety	\$31,940	Additional Firefighter beginning Jan 1, 2016; reduction in Contracted services.
Natural Resources	\$21,308	Reallocation for a shared position; no budget impact.
Public Works	\$55,000	Transfer Station cost for full year of solid waste disposal contract (FY2015 half year)
Human Services Library Budget	\$7,300 \$27,872	Municipal requirement for Library presented as a separate budget; Acct #610

Water Budget (Separate Article)

- FY2016 Operating
 - \$2,639,277 (0.54% over FY2015)
- Increase for Meter Replacement Program
 - Provides timely and accurate readings
 - Old meters are obsolete
- Water Capital – if requested paid by water revenues

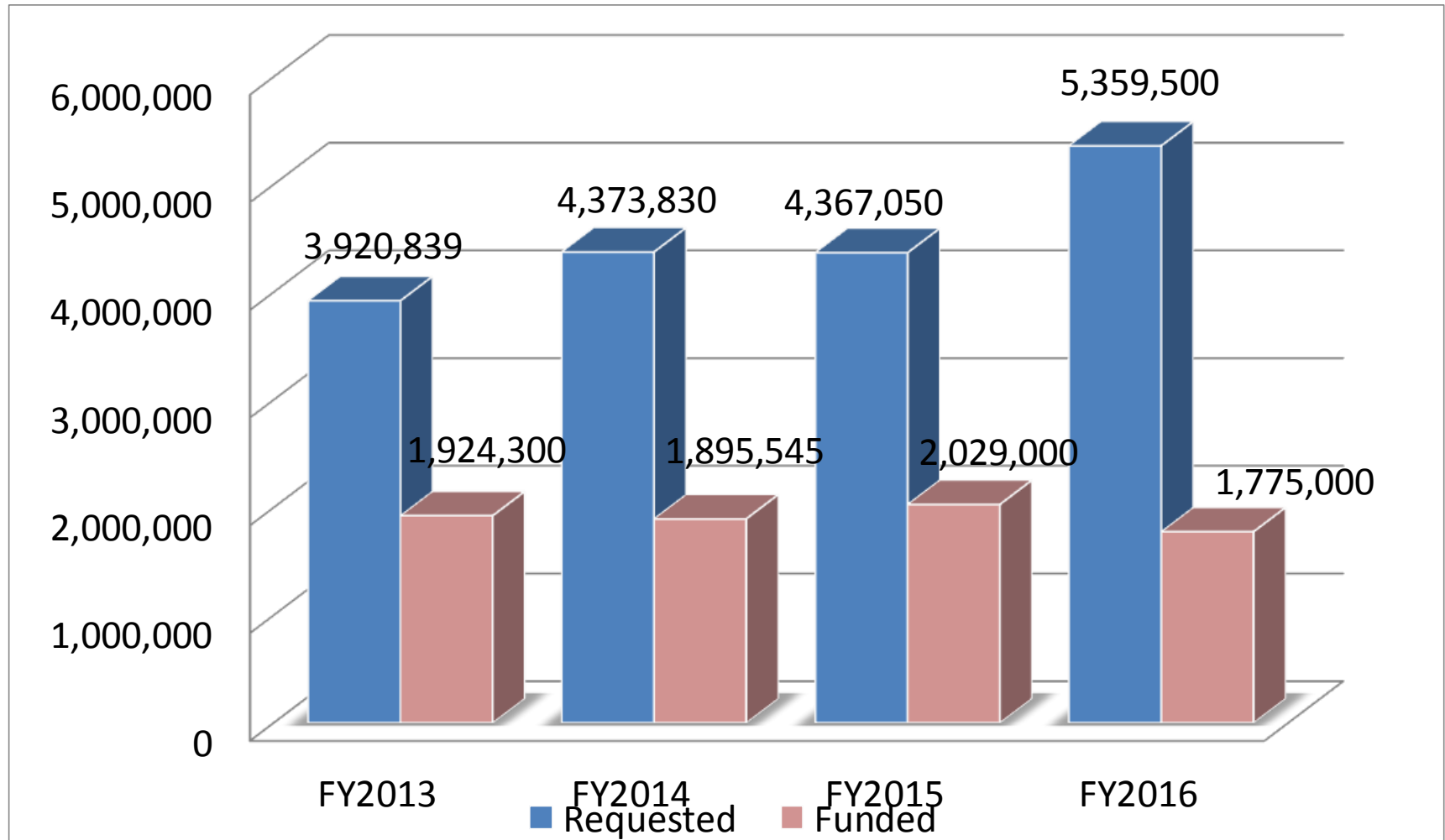
FY2016 Capital Plan Funding

- Adequate Funding Level –Policies/Summits
- Requests vs. Priorities/Needs
- Funding Sources
 - Free Cash
 - Available Funds
 - Waterways, Old Articles
 - Tax Levy
- Future Planning (5-year capital plan)

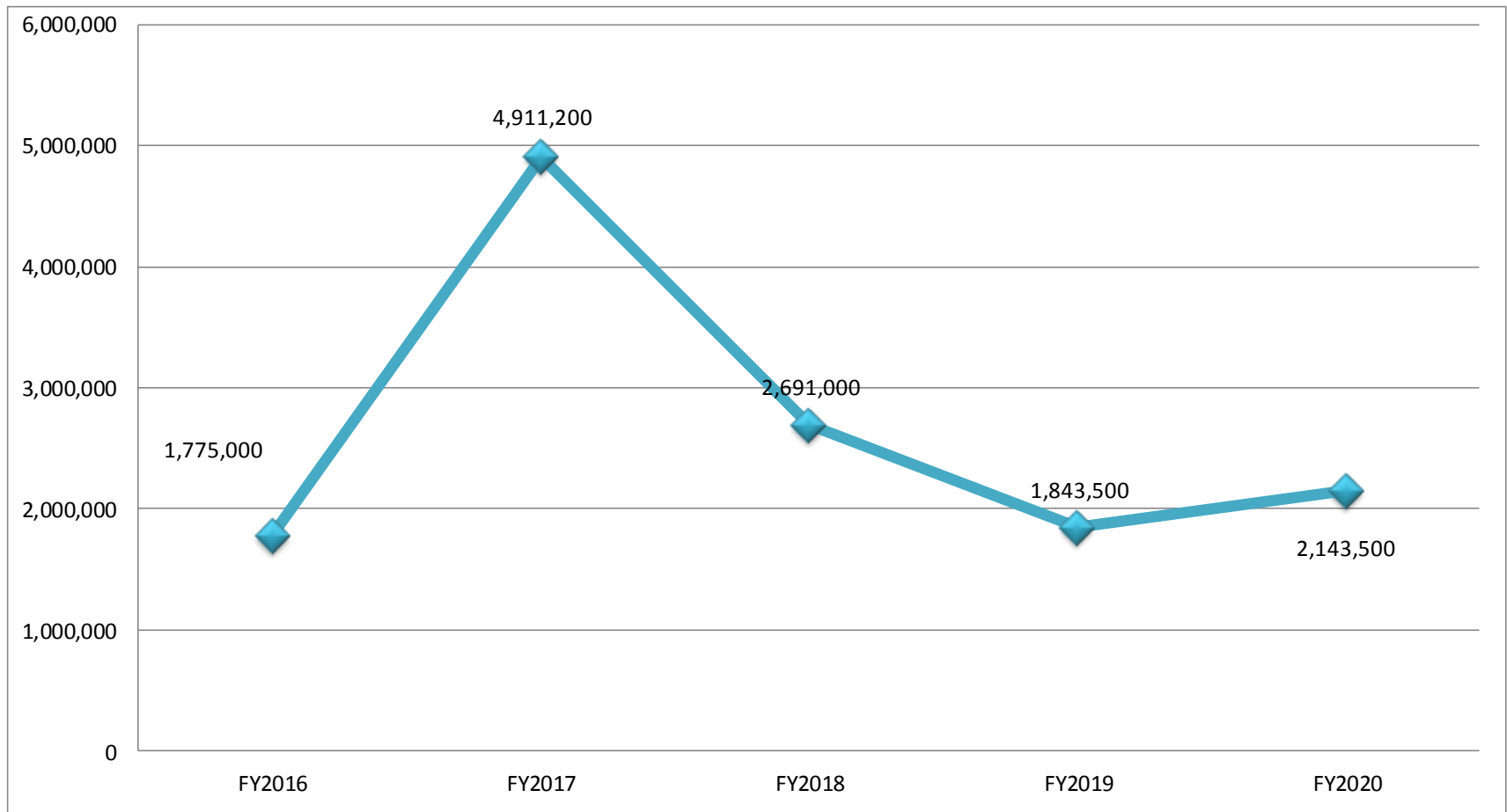
5 Five Year Capital Plan

CAPITAL PROGRAM & BUDGET SUMMARY	FY 2016	FY 2016
	Dept. Request	TMGR Recommendation
General Government	\$302,500	\$205,000
Public Safety	431,500	214,500
Community Development	12,500	12,500
Natural Resources	2,543,000	142,000
Public Works (without Water)	1,266,000	597,000
Equipment	804,000	604,00
Total Town Funded Capital Budget	5,359,500	1,775,000
Funding Sources:		
Free Cash		750,000
Waterways Improvement Funds		42,000
PEG Access Funds		25,000
Cemetery Sale of Lots		5,000
Shellfish Revolving		
Prior Articles		43,331
Capital Exclusion		
Raise & Appropriate (available Tax Levy)		909,669
Total Funding Sources	1,785,000	1,775,000
	(\$3,857,500)	\$0

Capital Plan



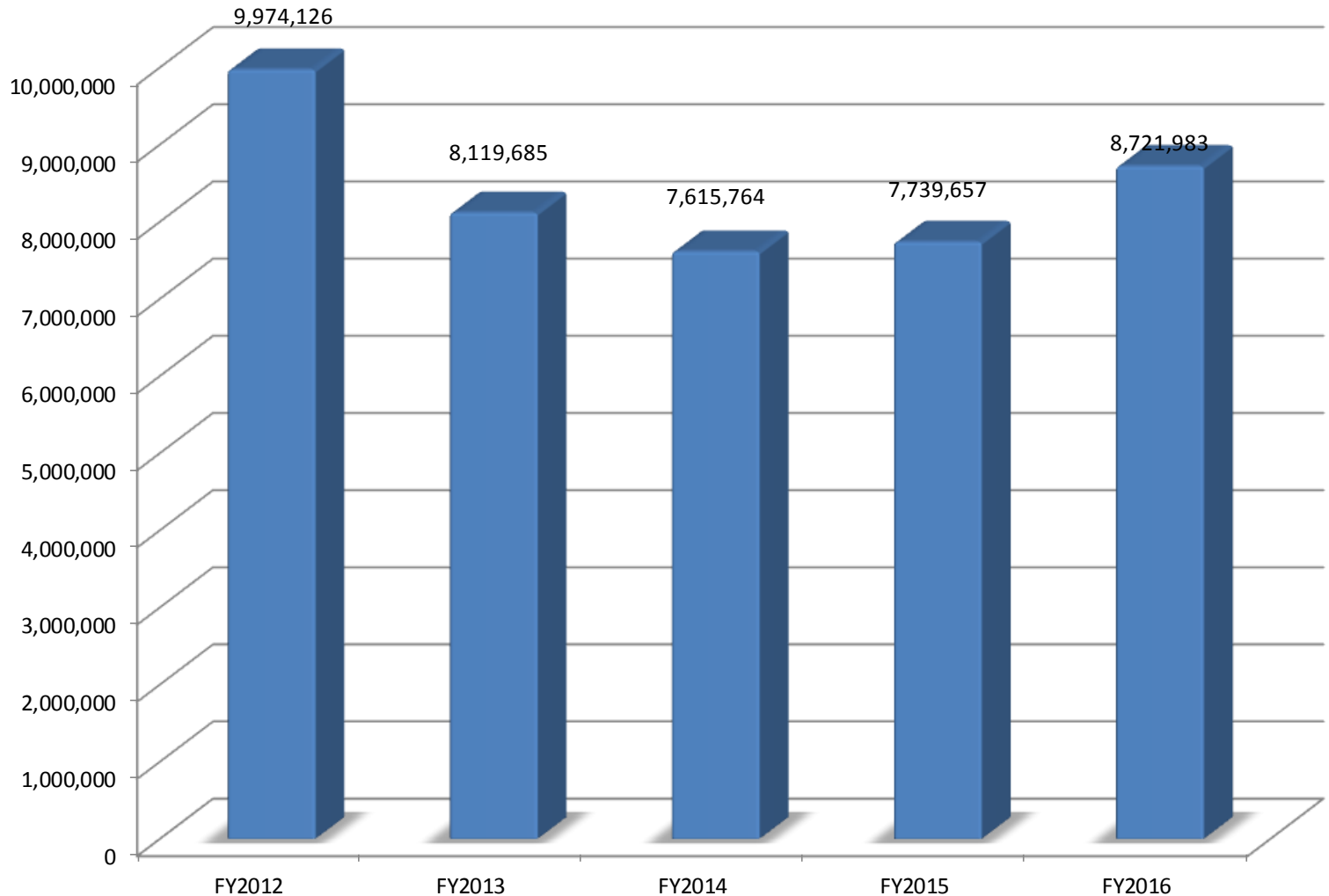
5-Year Capital Plan - requests



Educational Assessments (Separate Articles)

- Monomoy Regional
 - Overall Increase of 12.7% in assessment to Chatham (\$982,326)
 - Debt Service - \$660,847
 - OPEB Funding 1% of Payroll
 - Technology Upgrades
 - Required Minimum Contribution
 - Level to FY2015; yet to be released

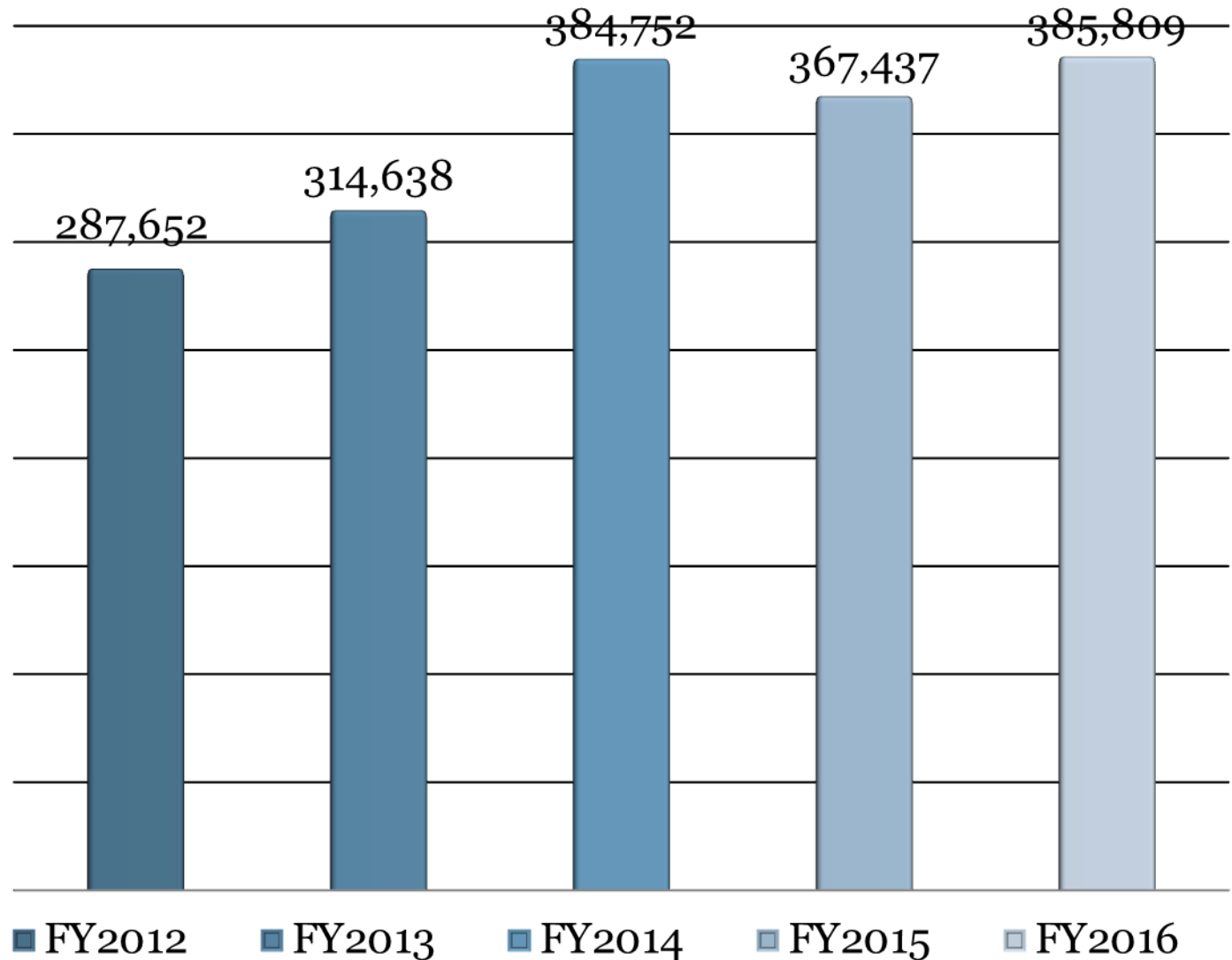
Monomoy Regional School District



Cape Cod Regional Tech High School

- *Projected* Increase 5% in assessment to Chatham
- Based on number of students and Local Minimum Contribution
- Capital Needs (future)
- Budget Presentation 1/28/15

Cape Cod Regional Tech High School



Capital Infrastructure Projects

- Fire Station – approved Oct 2013
 - Debt schedules projected – FY2015 ST; FY2016 LT
- Wastewater continuation
 - Zero Percent Loans
- Iron & Manganese Treatment Plant
 - Funded by Water Revenues

Capital Projects Directive

- Project “Holiday”
 - In queue; no new projects planned
- Wastewater/Sewer
 - Continue to maximize low interest loans
- Water Capital
 - Paid by water rates

What's Next?

- Changes *may* occur for several reasons:
- Governor's Budget
- Educational Budgets
- Health Insurance
- Personnel Changes
 - Educational Incentives
 - Separation

Other Articles

- Ryder's Cove Landing – CPA \$?
- Pier Reconstruction 90 Bridge St – Waterways \$
- Shuttle Bus – tax levy
- Home Rule Petition Boat Excise –
- Citizen Petition for Sidewalks – tax levy or borrowing

BOS Review Through 2/24/15

Cost Center Budget Presentation